

Adopted	Rejected
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COMMITTEE REPORT

YES:	8
NO:	3

MR. SPEAKER:

*Your Committee on Insurance, to which was referred House Bill 1323, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Replace the effective dates in SECTIONS 1 through 4 with
- 2 "[EFFECTIVE UPON PASSAGE]".
- 3 Page 1, line 3, after "(a)" insert "**As used in this section, “dialysis**
- 4 **facility” means an outpatient facility in Indiana at which a dialysis**
- 5 **treatment provider provides dialysis treatment.**
- 6 **(b) As used in this section, “contracted dialysis facility” means**
- 7 **a dialysis facility that has entered into an agreement with a**
- 8 **particular insurer under section 3 of this chapter.**
- 9 **(c).**
- 10 Page 1, line 6, delete "(b)" and insert "**(d)**".
- 11 Page 1, between lines 8 and 9, begin a new paragraph and insert:
- 12 "**(e) As used in this section, “non-contracted dialysis facility”**
- 13 **means a dialysis facility that has not entered into an agreement**
- 14 **with a particular insurer under section 3 of this chapter.**".
- 15 Page 1, line 9, delete "(c)" and insert "**(f)**".
- 16 Page 1, line 10, after "." insert "**The term does not include the**

1 following:

- 2 (1) Accident-only, credit, dental, vision, Medicare supplement,
- 3 long term care, or disability income insurance.
- 4 (2) Coverage issued as a supplement to liability insurance.
- 5 (3) Worker's compensation or similar insurance.
- 6 (4) Automobile medical payment insurance.
- 7 (5) A specified disease policy issued as an individual policy.
- 8 (6) A limited benefit health insurance policy issued as an
- 9 individual policy.
- 10 (7) A short term insurance plan that:
- 11 (A) may not be renewed; and
- 12 (B) has a duration of not more than six (6) months.
- 13 (8) A policy that provides a stipulated daily, weekly, or
- 14 monthly payment to an insured during hospital confinement,
- 15 without regard to the actual expense of the confinement.".

16 Page 1, delete lines 11 through 17.

17 Page 2, delete lines 1 through 14, begin a new paragraph and insert:

18 "(g) An insurer shall establish a payment rate for a health care
19 service rendered by a dialysis treatment provider at a
20 non-contracted dialysis facility based on the following:

- 21 (1) The type of health care service rendered.
- 22 (2) The fees usually charged by the dialysis treatment
- 23 provider.
- 24 (3) The prevailing rate paid to a dialysis treatment provider
- 25 by insurers in the same geographic area during the preceding
- 26 twelve (12) months.

27 (h) In establishing a payment rate under subsection (g), an
28 insurer shall:

- 29 (1) not consider Medicaid and Medicare payment rates; and
- 30 (2) establish the payment rate at an amount equal to not less
- 31 than the greater of the following payment rates paid by the
- 32 insurer during the previous twelve (12) months:
- 33 (A) The payment rate paid to the dialysis treatment
- 34 provider for health care services rendered at a contracted
- 35 dialysis facility.
- 36 (B) The payment rate paid to the dialysis treatment
- 37 provider for health care services rendered at a
- 38 non-contracted dialysis facility.

1 **(C) The payment rate paid to any dialysis treatment**
 2 **provider for health care services rendered at a contracted**
 3 **dialysis facility."**

4 Page 2, line 15, delete "(e)" and insert "(i)".

5 Page 2, line 16, delete "the open enrollment period during which".

6 Page 2, line 16, delete "becomes" and insert "**elects coverage**".

7 Page 2, line 17, delete "covered".

8 Page 2, line 19, delete "unless the insured becomes eligible for" and
 9 insert "**including the insured's out of pocket expenses.**".

10 Page 2, delete lines 20 through 42, begin a new line block indented
 11 and insert:

12 **"(2) Change coverage or benefits in any way that would affect**
 13 **dialysis treatment provided at a non-contracted dialysis**
 14 **facility.**

15 **(j) An insurer shall not do the following:**

16 **(1) Make changes in coverage under a policy of accident and**
 17 **sickness in an attempt to cause an insured to elect Medicare**
 18 **as the insured's primary coverage.**

19 **(2) Require an insured, as a condition of coverage, to travel**
 20 **more than fifteen (15) miles or for longer than thirty (30)**
 21 **minutes from the insured's home to obtain dialysis treatment,**
 22 **regardless of whether the insured chooses to receive dialysis**
 23 **treatment at a contracted dialysis facility or a non-contracted**
 24 **dialysis facility.**

25 **(3) Interfere with a physician's treatment of an insured.**

26 **(k) An insurer shall do the following:**

27 **(1) Make all claim payments for health care services provided**
 28 **by a dialysis treatment provider payable only to the dialysis**
 29 **treatment provider and not to the insured, regardless of**
 30 **whether the health care services are provided in a contracted**
 31 **dialysis facility or a non-contracted dialysis facility.**

32 **(2) File with the department an annual evaluation of whether**
 33 **the insurer's network of all dialysis treatment providers is**
 34 **sufficient to provide health care services to insureds covered**
 35 **under a policy of accident and sickness insurance issued by**
 36 **the insurer.**

37 **(3) File with the department an annual evaluation of whether**
 38 **the insurer is in compliance with this section."**

1 Page 3, delete lines 1 through 37.

2 Page 3, line 38, delete (2) and insert "(4)".

3 Page 4, line 6, delete "(3)" and insert "(5)".

4 Page 4, line 7, delete "(2)" and insert "(4)".

5 Page 4, line 9, delete "(4)" and insert "(6)".

6 Page 4, line 9, delete "seventy" and insert **"fifty percent (50%) of**
 7 **the dialysis facilities in the geographic area in which health care**
 8 **services are provided by the network."**

9 Page 4, delete lines 10 through 13, begin a new paragraph and
 10 insert:

11 **"(l) The commissioner shall, not more than thirty (30) days after**
 12 **receiving a filing under subsection (k)(2), approve the filing or**
 13 **make recommendations for changes to the network."**

14 Page 4, line 14, delete "(k)" and insert "(m)".

15 Page 4, between lines 15 and 16, begin a new paragraph and insert:

16 **"SECTION 2. IC 27-13-1-11.5 IS ADDED TO THE INDIANA**
 17 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 18 **[EFFECTIVE UPON PASSAGE]: Sec. 11.5. "Dialysis facility"**
 19 **means an outpatient facility in Indiana at which a dialysis**
 20 **treatment provider provides dialysis treatment."**

21 Page 4, delete lines 26 through 42, begin a new paragraph and
 22 insert:

23 **"(c) A health maintenance organization shall establish a**
 24 **payment rate for a health care service rendered by a dialysis**
 25 **treatment provider at a dialysis facility that is not a participating**
 26 **provider based on the following:**

27 **(1) The type of health care service rendered.**

28 **(2) The fees usually charged by the dialysis treatment**
 29 **provider.**

30 **(3) The prevailing rate paid to a dialysis treatment provider**
 31 **by health maintenance organizations in the same geographic**
 32 **area during the preceding twelve (12) months.**

33 **(d) In establishing a payment rate under subsection (c), a health**
 34 **maintenance organization shall:**

35 **(1) not consider Medicaid and Medicare payment rates; and**

36 **(2) establish the payment rate at an amount equal to not less**
 37 **than the greater of the following payment rates paid by the**
 38 **health maintenance organization during the previous twelve**

- 1 **(12) months:**
- 2 **(A) The payment rate paid to the dialysis treatment**
- 3 **provider for health care services rendered at a dialysis**
- 4 **facility that is a participating provider.**
- 5 **(B) The payment rate paid to the dialysis treatment**
- 6 **provider for health care services rendered at a dialysis**
- 7 **facility that is not a participating provider.**
- 8 **(C) The payment rate paid to any dialysis treatment**
- 9 **provider for health care services rendered at a dialysis**
- 10 **facility that is a participating provider."**
- 11 Page 5, delete lines 1 through 3.
- 12 Page 5, line 4, delete "(d)" and insert "(e)".
- 13 Page 5, line 5, delete "the open enrollment period during".
- 14 Page 5, line 6, delete "becomes covered" and insert "**elects**
- 15 **coverage"**.
- 16 Page 5, line 8, delete "unless the enrollee becomes eligible for" and
- 17 insert "**including the enrollee's out of pocket expenses."**
- 18 Page 5, delete lines 9 through 42, begin a new line block indented
- 19 and insert:
- 20 **"(2) Change coverage or benefits in any way that would affect**
- 21 **dialysis treatment provided at a dialysis facility that is not a**
- 22 **participating provider.**
- 23 **(f) A health maintenance organization shall not do the**
- 24 **following:**
- 25 **(1) Make changes in coverage under an individual contract or**
- 26 **a group contract in an attempt to cause an enrollee to elect**
- 27 **Medicare as the enrollee's primary coverage.**
- 28 **(2) Require an enrollee, as a condition of coverage, to travel**
- 29 **more than fifteen (15) miles or for longer than thirty (30)**
- 30 **minutes from the enrollee's home to obtain dialysis treatment,**
- 31 **regardless of whether the enrollee chooses to receive dialysis**
- 32 **treatment at a dialysis facility that is a participating provider**
- 33 **or a dialysis facility that is not a participating provider.**
- 34 **(3) Interfere with a physician's treatment of an enrollee.**
- 35 **(g) A health maintenance organization shall do the following:**
- 36 **(1) Make all claim payments for health care services provided**
- 37 **by a dialysis treatment provider payable only to the dialysis**
- 38 **treatment provider and not to the enrollee, regardless of**

1 **whether the health care services are provided in a dialysis**
 2 **facility that is a participating provider or a dialysis facility**
 3 **that is not a participating provider.**

4 **(2) File with the department an annual evaluation of whether**
 5 **the health maintenance organization's network of all dialysis**
 6 **treatment providers is sufficient to provide health care**
 7 **services to enrollees covered under an individual contract or**
 8 **a group contract entered into by the health maintenance**
 9 **organization.**

10 **(3) File with the department an annual evaluation of whether**
 11 **the health maintenance organization is in compliance with this**
 12 **section."**

13 Page 6, delete lines 1 through 25.

14 Page 6, line 26, delete (2) and insert **"(4)"**.

15 Page 6, line 36, delete "(3)" and insert **"(5)"**.

16 Page 6, line 37, delete "(2)" and insert **"(4)"**.

17 Page 6, line 39, delete "(4)" and insert **"(6)"**.

18 Page 6, line 39, delete "seventy" and insert **"fifty percent (50%) of**
 19 **the dialysis facilities in the health maintenance organization's**
 20 **service area."**

21 Page 6, delete lines 40 through 42, begin a new paragraph and
 22 insert:

23 **"(h) The commissioner shall, not more than thirty (30) days**
 24 **after receiving a filing under subsection (g)(2), approve the filing**
 25 **or make recommendations for changes to the network."**

26 Page 7, delete lines 1 through 2.

27 Page 7, line 3, delete "(j)" and insert **"(i)"**.

28 Page 7, line 6, delete "December" and insert **"July"**.

29 Page 8, line 2, delete "June" and insert **"April"**.

30 Page 8, line 6, delete "June" and insert **"April"**.

- 1 Page 8, after line 6, begin a new paragraph and insert:
- 2 "SECTION 6. **An emergency is declared for this act.**".
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 1323 as introduced.)

and when so amended that said bill do pass.

Representative Fry